



California Fair Political Practices Commission

June 15, 1989

Diane Rogers
Administrative Secretary
California Clinical Laboratory Association
1127 Eleventh Street, Suite 820
Sacramento, CA 95814

Re: Your Request For Advice
Our File No. A-89-299

Dear Ms. Rogers:

You have requested advice regarding the contribution limitation provisions of the Political Reform Act (the "Act").¹ You are requesting information as to changes which may have occurred as a result of recent court action.

QUESTION

During the period of the current court injunction may a PAC use funds collected prior to January 1, 1989 to make contributions to state legislators?

CONCLUSION

So long as the preliminary injunction is in effect, a "political committee" may use funds collected prior to January 1, 1989 in amounts of \$2,500 or less to make contributions to state legislators in amounts of \$2,500 or less per fiscal year. Similarly, a "broad based political committee" may use funds collected prior to January 1, 1989 in amounts of \$2,500 or less to make contributions to state legislators in amounts of \$5,000 or less per fiscal year.

¹ Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

FACTS AND ANALYSIS

Section 85306, enacted by Proposition 73, provides as follows:

Any person who possesses campaign funds on the effective date of this chapter may expend these funds for any lawful purpose other than to support or oppose a candidacy for elective office.

(Emphasis added.)

This has been interpreted to mean that campaign funds raised prior to January 1, 1989 may not be used to support or oppose candidates for elective office. The limitation of Section 85306 applies to PACs as well as to candidates. For purposes of the contribution limits, a PAC is either a political committee² or a broad based political committee.³

However, on May 19, 1989, a preliminary injunction was issued in the United States District Court, Eastern District of California, in the case of Service Employees International Union, AFL-CIO, et al. v. Fair Political Practices Commission, Case No. Civs 89-0433 LKK-JFM. That injunction provided, in part, as follows:

2) Defendant [Fair Political Practices Commission] is further enjoined from enforcing the provisions of California Government Code section 85306 as to those funds that were raised prior to January 1, 1989 in amounts within the overall contribution limits contained in Proposition 73, California Government Code sections 85100, et seq.

Therefore, so long as the above preliminary injunction is in effect, the Commission will not enforce those provisions of Section 85306 so as to preclude the carryover of funds raised by committees prior to January 1, 1989 in amounts within the overall contribution limits.

More specifically, so long as the preliminary injunction is in effect, the Commission will not enforce Section 85306 to prohibit your committee from using funds collected prior to

² "Political committee" means a committee of persons who receive contributions from two or more persons and acting in concert makes contributions to candidates. (Section 85102(c).)

³ "Broad based political committee" means a committee of persons which has been in existence for more than six months, receives contributions from one hundred or more persons, and acting in concert makes contributions to five or more candidates. (Section 85102(d).)

January 1, 1989, in amounts within the overall contribution limits, to make contributions to state legislators in amounts permitted by the contribution limits. Under the contribution limits of the Act, political committees and broad based political committees may receive contributions totalling \$2,500 from any person in any fiscal year. (Section 85302.) Political committees may make contributions to candidates not to exceed \$2,500 in any fiscal year. (Section 85303(a).) Broad based political committees may contribute up to \$5,000 to a candidate in any fiscal year. (Section 85305(b).)

If you have any questions, please contact me at (916) 322-5901.

Sincerely,

Kathryn E. Donovan
General Counsel

A handwritten signature in cursive script, appearing to read "Margaret W. Ellison".

By: Margaret W. Ellison
Counsel, Legal Division

KED/MWE:aa



CALIFORNIA
CLINICAL
LABORATORY
ASSOCIATION

1127 Eleventh Street
Suite 820
Sacramento, CA 95814
(916) 446-2646

May 13 2 10 PM '89

May 17, 1989

Ms. Katherine Donovan
General Counsel
Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, CA 95814

SUBJECT: CONTRIBUTIONS FROM PRE 1989 FUNDS

Dear Ms. Donovan:

I write for clarification on the court injunction described in yesterday's Sacramento Bee (article enclosed). Please answer the following question:

During the period of the current injunction is it legal for a general recipient PAC to use funds collected prior to January 1, 1989 in amounts of \$1,000 or less to make contributions to State legislators in amounts of \$1,000 or less?

Your expeditious reply to this question would be very much appreciated.

Sincerely,

Diane Rogers
Administrative Secretary



California Fair Political Practices Commission

May 23, 1989

Diane Rogers
Administrative Secretary
California Clinical Laboratory
Association
1127 Eleventh Street, Suite 820
Sacramento, CA 95814

Re: Letter No. 89-299

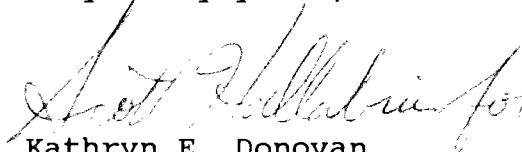
Dear Ms. Rogers:

Your letter requesting advice under the Political Reform Act was received on May 18, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Blanca Breeze an attorney in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,


Kathryn E. Donovan
General Counsel

KED:plh